Morgan, Lewis & Bockius LLP 1117 Pennsylvania Avenue, NW Washington, DC 20004

Tel: 202.739.3000 Fax: 202.739.3001 www.morganlewis.com



US EPA RECORDS CENTER REGION 5

Michael W. Steinberg Senior Counsel 202.739.5141 msteinberg@morganlewis.com

October 17, 2006

## VIA FAX AND VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Mr. Tom Turner
Associate Regional Counsel
U.S. Environmental Protection Agency
Region 5
77 West Jackson Blvd.
C-14J
Chicago, Illinois 60604-3590

Re: Old American Zinc Site in Fairmont City, Illinois

## Dear Tom:

I was most surprised to receive in the mail late last month EPA's September 21, 2006 invoice for various oversight costs incurred at the Old American Zinc site, addressed to me as counsel for XTRA. The few pages of back-up calculations that came with the invoice provided no information about what work was actually performed by any of the EPA personnel whose time charges are involved.

I was especially surprised because at no time had anyone from EPA ever asked XTRA to pay for any oversight costs at this site. Nor had XTRA ever agreed to pay any oversight costs at this site.

After speaking with you on the telephone, it is my understanding that EPA seeks to have XTRA pay only those limited costs that are directly attributable to EPA's time spent interacting with XTRA on questions of site access and cost-sharing for the RI/FS. It is also my understanding, based on our conversation, that EPA has not incurred any such costs since the cut-off period for the September 21, 2006 invoice, i.e., since June 30 of this year.



In the spirit of cooperation that has characterized XTRA's interaction with EPA throughout the history of this site, XTRA will pay the September 21, 2006 invoice. However, XTRA does not acknowledge any liability for oversight costs at this site, and reserves it right to deal with any future invoices of this type on a case-by-case basis.

I would be pleased to discuss any of these issues with you at your convenience.

Very truly yours,

Michael W. Steinberg